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FM AMEMBASSY BRATISLAVA
TO RUEHC/SECSTATE WASHDC PRIORITY 0833
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 03 BRATISLAVA 000210

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E.O. 12958: DECL: 01/17/2017

TAGS: PREL PGOV PINR LO

SUBJECT: WHAT DOES A NEW LEADER MEAN FOR SLOVAKIA'S

ETHNIC-HUNGARIAN PARTY?

Classified By: CDA Lawrence Silverman for reasons 1.4 (b) and 1.4(d)

- 11. (U) Summary: The opposition Party of the Hungarian Coalition (SMK) surprised everyone when it elected a new chairman, Pal Csaky, at its March 31 Party Congress in Komarno. Csaky defeated Bela Bugar, who had been the longest-serving party Chairman in Slovakia and was widely respected as a moderate voice in the party and Parliament. Csaky,s election, which was supported by the controversial Miklos Duray, has been widely seen as taking the party on a more pro-autonomy track. It could complicate SMK,s ability to work collaboratively with its former partners in government, the right of center Slovak Democratic and Christian Union (SDKU) and Christian Democratic Movement (KDH). Csaky strongly denied to us that he would preside over such changes, however. End summary.
- 12. (U) Csaky defeated Bugar by a narrow margin of 14 votes. Although the race began amicably with both candidates declaring their respect for the other, Bugar finally blamed his loss on allegations about his connections to party financier Oszkar Vilagi, director of the Slovnaft oil refinery, and other financial interest groups made by Csaky and his supporters during the week preceding the congress. With evident anger and disappointment, Bugar rejected Csaky's offer to become honorary chairman. Bugar told media on Saturday that a difficult task is awaiting Csaky: "He will have to reinforce the party, so that it remains united."
- 13. (SBU) Fatigue within the party after leaving government last June and the resultant loss of jobs for party loyalists in state and regional administrations doubtless contributed to Bugar,s defeat. The nationalist rhetoric of many in the Fico government may also have inspired a desire for change in leadership. Through the final days of the pre-congress campaign, however, no non-partisan observer predicted Bugar,s loss. The decisive factor was clearly the campaign run by Csaky, and his backing by SMK MP Duray, who is often labeled a radical for his support of an autonomous region for ethnic-Hungarians in southern Slovakia and for his close relationship to Viktor Orban, leader of the Republic of Hungary,s Fidesz party.

## NEW PARTY LEADERS

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¶4. (U) The new leadership of the party includes people close to Csaky, including former MFA state secretary Jozsef Berenyi as Chief Deputy Chairman, and Duray as one of nine Deputy chairpersons. Other Deputy Chairpeople include: SMK's Parliamentary caucus leader Gyula Bardos and former Minister of Education Laszlo Szigeti (both reelected to their positions), and Agnes Biro, Pal Farkas, Laszlo Miklos, Klara Sarkoezy, Istvan Zacharias and Imre Hugyivar, (all of whom are serving in the position for the first time. Of the six who held the position of Deputy Chairperson before, Istvan Harna, Edith Bauer and Pal Csaky himself are out. Also SMK spokesperson Livia Solymos decided to leave her position and become a member of the party's National Council. She was

replaced by Eva Dunajsky.

15. (SBU) The change in SMK leadership was not immediately accompanied by any change in the party's program or publicized vision. This congress was rather about positioning key party leaders and changes to the party,s structures. A new party program will be discussed only next year. The new leadership will, however, certainly bring a new dynamic and new rhetoric to the party, and may complicate SMK,s relationships with the "Slovak" parties, whether in government or opposition. Duray was among the first SMK officials to publicly encourage Csaky to run. Duray and Bugar had a notoriously rocky relationship, and Bugar had announced even before Csaky publicized his candidacy that he would seek to demote Duray within the party leadership at this year's congress. The success of Duray's chosen alternative to Bugar, and his elevation to Vice-Chairman for strategy will give the irredentist and pro-autonomy wings of the SMK new leverage. Bugar,s loss, and the example he set by refusing to serve as an honorary chairman, will lead to a further weakening of his more accommodating wing of the party.

# CSAKY'S SIDE OF THE STORY

16. (C) Csaky told Charge on April 4 that everyone at the congress, himself and Bugar included, was surprised by the results of the vote. 15-20 percent of the delegates remained undecided at the beginning of the conference and both he and Bugar knew the decision would come down to the persuasiveness of their speeches. Csaky said Bugar gave an admirable speech highlighting his successes over the past eight years, but that it was nonetheless a speech that looked only to the past. In contrast, Csaky said that he looked to the future in his own speech, and promised a more modern, transparent and

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responsive party. Csaky did not deny that he had played dirty with insinuations about Vilagi, but insisted that Bugar's promotion of the idea that Csaky was "Duray's candidate" was no less dirty.

- ¶7. (SBU) Csaky called Bugar an impulsive leader and said he wants to order and transparency to party decision-making. Csaky says he wants to maintain the current orientation of the SMK but to organize the party better and make use of modern technologies. Csaky cited the last Dzurinda government as his example, and would like to organize the SMK simmilarly to accommodate loyal experts on a range of topics who will be available for the party to learn from. Csaky also hopes to rejuvenate the party by making use of changes in the statutes approved at the congress that enable representatives of the SMK's women's and youth organizations to take part in presidency sessions. His challenge will be to accommodate the supporters who got him elected, most of all Duray, without alienating moderate SMK voters or other "Slovak" political parties. This will be made more difficult by Duray's relationship with and sympathy for Viktor Orban, who has called for all of Central Europe's ethnic Hungarians to be united in one nation.
- 18. (C) Csaky described Duray as an older man who is at the end of his career and stressed that he (Csaky), not Duray, would ultimately decide policy. He said Bugar erred in underestimating Duray and not showing proper respect. At the same time, Csaky described the position he had given Duray as being not so high as to confer power, but not so low as to show disrespect. Csaky said that Duray has no more than three firm supporters in the new presidium (out of 19).

## IMPACT ON SLOVAKIA'S KOSOVO POSITION

19. (C) There is concern here that a more aggressive SMK will further sour the atmosphere on Kosovo because of the alleged "precedent" for autonomy. Charge laid down a clear marker to Csaky that the next couple of months are sensitive, and that SMK should not give other politicians ammunition to use on

the Kosovo issue. Slovak nationalists will try to provoke SMI, but we urged Csaky not to take the bait. Csaky said he understood the point.

### REACTIONS FROM SMK's FORMER PARTNERS

- 110. (C) KDH MP and former Minister of Interior Vladimir Palko, who is himself seeking to unseat the Chairman of his own party this spring, suggested in an open letter that SDKU and KDH should stop meeting with SMK for several months in response to the manner in which Csaky won the chairmanship of SMK. Palko alleges that Csaky won in part by playing the anti-Slovak card, an allegation that certainly derives from the support and encouragement Csaky received from the controversial Duray. SDKU leader Dzurinda, to whom Csaky was Deputy PM for eight years, claimed privately that Bugar did "too little, too late." Csaky claims that he and Dzurinda are good friends and will be able to work together well in united opposition to the Fico government. Meanwhile, another SDKU MP (Devinsky) told Charge that Csaky is only fifty percent trustworthy. (Comment. While Bugar was humble and straight-shooting, Csaky is more intellectual, a writer, and is capable of taking a "winding path." Nonetheless, he very strongly emphasized his lack of tolerance for corruption among party members. End comment.)
- 111. (U) Reaction from political analysts has been divided, with some saying the party has entered &a new phase by choosing a new leader more radical, more critical and more close-minded towards Slovakia and Slovaks, 8 and others predicting the party will maintain its previous policies of quiet, prudent advocacy for ethnic Hungarian rights. Many analysts, however, predict that the party could lose support, both as a result of the perceived &dirtiness8 of Csaky, s campaign, and more importantly because so many party supporters had come to identify the party with Bugar after his eight years in charge.
- 12. (C) Comment: Although the change in SMK leadership, and even more Duray's position as strategic planner, suggests a certain radicalization, it is rather unlikely to translate into radical change in SMK policies in the near term. As the former deputy PM in Dzurinda's government, Csaky is familiar with EU policy on minorities and ethnic groups. He will have to maintain a balance between Duray,s rhetoric and actual SMK policy. Duray's favourite word 'autonomy' is like a red flag for all of the "Slovak" parties, and will have to be presented under a different cover if at all under Csaky. Post will watch closely the future developments in SMK and continue to engage SMK officials in ongoing dialogue. End comment.

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#### BIO NOTES ON CSAKY

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113. (C) Csaky speaks and understands English very well. He was meticulously groomed and polished during his meeting with Charge, and came across as somewhat vain. He had no trouble speaking about himself for forty-five minutes without interuption. Csaky describes himself as belonging to the Christian-Democratic wing of his party. He has four daughters. SILVERMAN